

WHEEL TAX HISTORY

The Wheel Tax is adopted at the local level pursuant to State Statute 18-1214 which authorizes cities and villages to levy a tax to be paid to the County Treasurer and to be credited to a "...road fund of such city or village. Such fund shall be used by such city or village for constructing, resurfacing, maintaining, or improving streets, roads, alleys, public ways, or parts thereof or for the amortization of bonded indebtedness when created for such purposes."

Because of the many different types of vehicle using the roads, there are many different rates paid depending upon the type of vehicle being licensed. The current rates go from \$19.50 paid for "Motor driven vehicles operated on three wheels or less" to \$195.00 for "Trucks and truck-tractors other than commercial trucks, having a factory-rated carrying capacity of four tons or more." The current rate for an automobile is \$39.00. Shown below is the legislative history of Lincoln's wheel tax.

| Date | Action | Elected Officials |
|-------------|-----------------------------|---|
| 11/03/1958 | Established at \$4.00 | Mayor Bennet Martin, Ash, Becker, Duteau, Kinsey, Thorne, Tyrell, Wilkinson |
| 12/03/1963 | Set at \$6.00 | Mayor Dean Peterson, Becker Boosalis, Comstock, Hinkley, Mason, Peterson, Tyrell |
| 11/15/1965 | Set at \$8.00 | Mayor Peterson, Boosalis, Comstock, Hinkley, Mason, Peterson, Thompson, Tyrell |
| 10/27/1975 | Changed Registration Period | Mayor Schwartzkopf, Allman, Boosalis, Comstock, Davidson, Hinkley, Peterson, Thompson |
| 08/10/1981 | Set at \$12.00 | Mayor Boosalis, Ahlschwede, Danley, Frohardt, Hampton, Shackelford, Steinman, Youngberg |
| 11/16/1981 | Establishes Penalty | Mayor Boosalis, Ahlschwede, Danley, Frohardt, Hampton, Shackelford, Steinman, Youngberg |
| 01/1984 | Set at \$16.00 | Mayor Boosalis, Ahlschwede, Danley, Frohardt, Hampton, Hoffman, Johnson, Shackelford |
| 08/08/1988 | Set at \$18.00 | Mayor Harris, Danley, Gutsell, Hampton, Hempel, Minnick, Seng, Wilson |

| | | |
|------------|---|---|
| 08/17/1992 | Set at \$20.50 (01/1993) | Mayor Johanns, Haar, Johnson, Lyons, Minnick, Seng, Wilson, Young |
| 08/17/1992 | Set at \$23.00 (01/1994) | Mayor Johanns, Haar, Johnson, Lyons, Minnick, Seng, Wilson, Young |
| 01/18/1993 | Correction of mistake in percentage allocations in previous ordinance | Mayor Johanns, Haar, Johnson, Lyons, Minnick, Seng, Wilson, Young |
| 07/31/1995 | Set at \$31.00 (01/1996) | Mayor Johanns, Johnson, Donaldson, Haar, Seng, Shoecraft, Wilson, Young |
| 07/31/1995 | Set at \$39.00 (01/1997) | Mayor Johanns, Johnson, Donaldson, Haar, Seng, Shoecraft, Wilson, Young |

Money collected from the Wheel Tax prior to the increase in 1995 was deposited into two road funds maintained by the City. The majority of the money was deposited into the "Vehicle Tax" fund which is used for capital construction projects. No operating expenditures were budgeted in this fund. The increment of money raised when the wheel tax was increased from \$18.00 per car to \$23.00 per car was deposited into the Snow Removal Fund. That increase was passed by the City Council as part of the 1992-1993 Budget and was phased in at January 1, 1993 and January 1, 1994. When the increase was proposed it was clearly identified as being for Snow Removal. At that time the allowable uses of Wheel Tax as defined in the City Ordinance authorizing the wheel Tax were changed from "construction or resurfacing" to include the broader definition included in the State Statute identified above.

The Snow Removal fund was established to handle snow removal operations only. Any unused balances are available for carryover to future years snow removal or for road projects.

The Wheel Tax increases proposed in 1995 were for the purpose of accelerating new road construction in the fringes of the community primarily the south and the southeast. As such, three road funds were created and phased in on January 1, 1996 and January 1, 1997.

All monies from the payment of the vehicle tax for street improvements shall be credited to the following road funds which shall constitute separate funds of the City:

- (a) The Snow Removal Fund, which fund is hereby created, and monies credited to such fund shall be used only for the purpose of removing snow and ice from streets, roads, alleys, public ways or parts thereof within the city unless the City Council, by resolution, authorizes the use of such monies for other street improvement purposes. Of the monies derived from the payment of the vehicle tax for street improvements, 12.82% of said monies shall be credited to such fund

commencing January 1, 1997, which equals approximately \$5.00 per car.

- (b) The Construction Fund (WC) is hereby created, and monies credited to such fund shall be used only for the purpose of construction of streets, roads, alleys, public ways, or parts thereof, or for the amortization of bonded indebtedness when created for such purposes. Commencing January 1, 1997, 41.01% of the monies derived from the payment of the vehicle tax for street improvements shall be credited to such fund.
- (c) The Vehicle Tax Residual Fund (WR) is hereby created, and monies credited to such fund shall be used generally for street improvement in the City of Lincoln and for no other purpose. All monies derived from the payment of the vehicle tax for street improvements after the credits provided in (a) and (b) above shall be credited to such fund.

Notwithstanding the above, the County of Lancaster shall receive, as full compensation for the registration of vehicles provided herein, one percent of all monies so collected.

In the 2001-2002 Budget, expected revenues from Wheel Tax was \$7,903,000.00 and was earmarked approximately as follows:

| | | | | |
|-----|-------------------|--------|---|----------------|
| (a) | Snow Removal Fund | 12.82% | = | \$1,013,000.00 |
| (b) | Construction Fund | 41.03% | = | \$3,243,000.00 |
| (c) | Residual Fund | | | \$3,647,000.00 |

The total Snow Removal Budget for 2001-2002 was \$1,974,731.00 with the additional amount of \$961,731.00 being a transfer from the Street Construction Fund (Gasoline Tax).

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WHEEL TAX BREAKDOWN:

| VEHICLE TAX RESIDUAL | SNOW REMOVAL | VEHICLE TAX CONSTRUCTION | TOTAL |
|-------------------------|----------------------|-----------------------------|-------|
| 78410.3031 46.15% | 79130.3031 12.82% | 78415.3031 41.03% | 100% |

Passenger vehicle

| | | | | |
|---|---------|---------|---------|---------|
| * 9 passenger capacity or less NOT used for hire | \$18.00 | \$5.00 | \$16.00 | \$39.00 |
| * 9 passenger capacity or less USED for hire (COMM plates) | \$27.00 | \$7.50 | \$24.00 | \$58.50 |
| * More than 9 passenger capacity, USED for hire | \$36.00 | \$10.00 | \$32.00 | \$78.00 |

Pick-ups OR Small trucks

| | | | | |
|--|---------|---------|---------|----------|
| * Commercial trucks with gross vehicle weight of 4 tons or less | \$27.00 | \$7.50 | \$24.00 | \$58.50 |
| * Commercial trucks with gross vehicle weight of more than 4 tons but less than 6 tons | \$36.00 | \$10.00 | \$32.00 | \$78.00 |
| * Commercial trucks with gross vehicle weight of 6 tons or more but less than 8 tons | \$62.99 | \$17.50 | \$56.01 | \$136.50 |
| * Commercial trucks with gross vehicle weight of 8 tons or more | \$89.99 | \$25.00 | \$80.01 | \$195.00 |

**Trucks AND Truck Tractors NOT
Commercial Plates/Carrying Capacity**

| | | | | |
|---|---------|---------|---------|----------|
| * One and one-half tons or less | \$27.00 | \$7.50 | \$24.00 | \$58.50 |
| * More than 1 1/2 tons but less than two and one-half tons | \$36.00 | \$10.00 | \$32.00 | \$78.00 |
| * Two and one-half tons or more, but less than 4 tons | \$62.99 | \$17.50 | \$56.01 | \$136.50 |
| * 4 tons or more | \$89.99 | \$25.00 | \$80.01 | \$195.00 |

Licensed Motor Vehicle Dealer Plates

| | | | | |
|---|---------|--------|---------|---------|
| * 3 wheels or less, for each dealer plate | \$9.00 | \$2.50 | \$8.00 | \$19.50 |
| * More than 3 wheels, for each dlr plate | \$18.00 | \$5.00 | \$16.00 | \$39.00 |

Miscellaneous

| | | | | |
|---|---------|---------|---------|---------|
| * Motor-driven veh with 3 wheels or less | \$9.00 | \$2.50 | \$8.00 | \$19.50 |
| * Self-propelled Mobile Homes | \$27.00 | \$7.50 | \$24.00 | \$58.50 |
| * Trailers - 1,000 lbs or less capacity | \$4.38 | \$1.22 | \$3.90 | \$9.50 |
| * Trailers - more than 1,000 lb capacity (All camper) | \$9.00 | \$2.50 | \$8.00 | \$19.50 |
| * Passenger veh, more than 9 passenger capacity, USED for hire | \$36.00 | \$10.00 | \$32.00 | \$78.00 |
| * Ambulances and Hearses | \$27.00 | \$7.50 | \$24.00 | \$58.50 |

ALL OTHER VEHICLES NOT SPECIFICALLY SET FORTH ABOVE CHARGE \$39.00

USED FOR HIRE
NOT USED FOR HIRE } refers to BUS plates + FARM plates only!